



Irish Life Weekly Investment Bulletin

The week that was – WEEK 14 (ending 07/04/2017)

“Never let success get to your head and never let failure get to your heart.” – Ziad K. Abdelnour

Irish unemployment rate down to 6.4% – The ESRI reported that the unemployment rate for March 2017 was 6.4%, down from 6.6% in February 2017 and down from 8.3% in March 2016. However Census 2016 shows Ireland’s population is 90,000 higher than originally estimated so rate may be revised upwards later.

ECB Chief says bank’s stimulus efforts are still needed – European Central Bank President Mario Draghi clarified that it was still too soon to reduce current stimulus measures and no early exit despite a welcome rise in the 19-country inflation rate and a strengthening economy but saying it was “too soon to declare success”.

Global stock market flat on the week – The MSCI AC World TR Index had a -0.1% return from 31st March to 7th April as markets showed little change over the week. The launch of U.S. missile attacks against Syria further boosted oil prices and led to a shift into defense stocks as well as safe-haven assets, including gold.

U.S. jobs growth lower than expected – Enthusiasm over employment gains lowered, when the Labor Department’s official payrolls report came in well below expectations. The report showed only 98,000 new jobs were added in March, the lowest since last May, while February’s gains were also revised lower.

Japanese consumer confidence at highest since September 2013 – Consumer confidence figure rose to 43.9 in March from 43.2 in February and beating estimates of 43.5. It was the highest reading since September 2013 as perception improved for all underlying components, including livelihood and employment.

U.K. economy shows signs of losing steam – The Office for National Statistics reported that overall economic activity was relatively slow in February. Production output saw a slight fall of 0.7%, the trade deficit widened to £3.7 billion (0.7% fall in exports and 0.6% rise in imports) with construction output down by 1.7%.

The Story of the week: Some viewers are counting down the hours to the grand final of University Challenge with Jeremy Paxman being overshadowed by Eric Monkman, the 29-year-old captain of Cambridge University’s Wolfson College team. With his furrowed brow, an intellect matched only by his awesome competitiveness and his well-starched collars, he has taken over the series and has become a social media sensation. Paxman himself was so struck by Monkman’s enthusiastic translation of “He who lives by the sword shall perish by the sword” from the original Latin – delivered with an inflected Canadian accent and wild hand gestures – that he told him: “You would have made a wonderful revivalist preacher.” The final is on tonight on BBC 2 at 8pm with Balliol, Oxford being the opposition team to Monkman’s.

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Index Performances and Market Data*

Equity Markets % (in Local Currency)	2012	2013	2014	2015	2016	2017 YTD (to 07/04)
ISEQ Overall Return	20.5	35.8	16.8	33.6	-2.7	3.6
FTSE 100 TR	10.0	18.7	0.7	-1.3	19.1	3.9
Euro Stoxx 50 TR	18.1	21.5	4.0	6.4	3.7	6.7
S&P 500 TR	16.0	32.4	13.7	1.4	12.0	5.8
Nasdaq Composite	15.9	38.3	13.4	5.7	7.5	9.2
Nikkei 225	22.9	56.7	7.1	9.1	0.4	-2.4
MSCI Emerging Markets	13.9	0.9	2.6	-8.0	7.1	8.2
MSCI AC World (Gross TR)	16.5	26.2	9.9	1.8	9.7	5.7
Sovereign 10yr Bond Yields (%)	2012	2013	2014	2015	2016	2017 YTD
U.S.	1.7	3.0	2.2	2.2	2.4	2.4
German	1.4	1.9	0.5	0.6	0.2	0.2
UK	1.9	3.0	1.9	1.9	1.2	1.1
Japan	0.7	0.7	0.3	0.2	0.0	0.1
Ireland	4.5	3.4	1.3	1.1	0.7	0.9
Italy	4.6	4.1	2.1	1.6	1.8	2.2
Greece	12.7	8.2	9.6	7.9	7.1	6.8
Portugal	6.9	6.1	2.7	2.5	3.8	3.8
Spain	5.4	4.1	1.6	1.7	1.4	1.6
Central Bank Rates (%)	2012	2013	2014	2015	2016	2017 YTD
ECB	0.75	0.25	0.05	0.05	0.0	0.0
Bank of England	0.5	0.25	0.50	0.50	0.25	0.25
U.S. Federal Reserve	0.25	0.25	0.25	0.50	0.75	1.00
Foreign Exchange Rates	2012	2013	2014	2015	2016	2017 YTD
Euro/Dollar (€/€)	1.31	1.37	1.21	1.09	1.04	1.06
Euro/Sterling (€/£)	0.81	0.83	0.78	0.75	0.84	0.85
Sterling/Dollar (£/\$)	1.61	1.65	1.56	1.46	1.24	1.25
IPD All Property Return (%)	2012	2013	2014	2015	2016	2017
Ireland	3.1	12.7	40.1	25.0	12.8	N/A
U.K.	2.7	10.7	17.8	13.1	3.6	N/A
U.S.	5.3	11.4	11.2	12.1	7.8	N/A

*Past performance is not a reliable guide to future performance